

Medical Liability Insurance

Medical Liability Insurance: A National Problem

All states are having problems with medical liability insurance, many as serious as ours, some more serious than ours. We, however, remain dedicated to finding a solution to this national problem and continue working hard on the situation; unfortunately, there are no “quick fixes”.

Governor Bob Wise and the State Legislature took substantial steps during the 2001 special session to lessen the burden caused by the issues surrounding medical liability insurance. The Healthcare Provider Professional Liability Insurance Availability Act made coverage available through the state’s Board of Risk and Insurance Management (BRIM) for physicians who are unable to obtain coverage through the commercial market. The BRIM plan was designed to provide an available, financially sound option until a stable and competitive market is available to healthcare providers practicing in West Virginia. To date, over 1,000 physicians are enrolled in the BRIM plan. Those are physicians that without this alternative may have chosen to retire early or relocate their practices.

During the recent legislative session, Governor Bob Wise and the West Virginia Legislature took further steps toward alleviating the pains of the national medical liability problem by passing House Bill 2122. The new law not only addresses the issues of the affordability of medical liability insurance and civil justice reforms; it also calls for the creation of a Physicians Mutual. House Bill 2122 lowers the current \$1 million cap on non-economic damages to \$250,000 in most cases, although it would be \$500,000 under certain specified circumstances. The new law calls for a \$24 million dollar transfer from the Tobacco Settlement Medical Trust Fund for use as the initial capital and surplus for creation of a Physicians Mutual. The Physicians Mutual would take over coverage of the over 1,000 physicians currently enrolled in the BRIM plan. BRIM is currently working on an outline for transferring the board’s coverage of doctors in private practice over to the Physicians Mutual, with it being in full effect with the doctors in charge by July 2004.